

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1282**

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**Introduced by Assembly Member Bonta**

February 22, 2013

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An act to amend Section ~~14000~~ 14408 of the Financial Code, relating to financial institutions.

LEGISLATIVE COUNSEL'S DIGEST

AB 1282, as amended, Bonta. Financial institutions: credit unions.

Existing law, the California Credit Union Law, provides for the regulation of credit unions. A willful violation of the California Credit Union Law is a crime. *Existing law prohibits a credit union from making any gift or donation having a value in excess of \$25,000 unless the gift or donation is in the best interest of the credit union, is approved by a resolution of the board of directors and is in conformance with any regulation or order, as specified.*

~~This bill would make a nonsubstantive change to a provision of the California Credit Union Law~~ *instead prohibit a credit union from making any gift or donation in excess of \$30,000 subject to those requirements. By changing the definition of a crime, the bill would impose a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: ~~no~~ yes.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 14408 of the Financial Code is amended*  
2     *to read:*

3     14408. No credit union shall make any gift or donation having  
4     a value in excess of ~~twenty-five thousand dollars (\$25,000)~~ *thirty*  
5     *thousand dollars (\$30,000)* unless the gift or donation is in the  
6     best interest of the credit union, is approved by a resolution of the  
7     board of directors and is in conformance with any regulation or  
8     order that the commissioner may issue. The resolution of the board  
9     of directors approving the gift or donation shall identify the  
10    recipient of the gift or donation, state the value of the gift or  
11    donation, and specify the basis for the board's determination that  
12    the gift or donation is in the best interests of the credit union. The  
13    board may establish a budget for gifts and donations and authorize  
14    appropriate officials of the credit union to select recipients and  
15    disburse budgeted funds among those recipients.

16    *SEC. 2. No reimbursement is required by this act pursuant to*  
17    *Section 6 of Article XIII B of the California Constitution because*  
18    *the only costs that may be incurred by a local agency or school*  
19    *district will be incurred because this act creates a new crime or*  
20    *infraction, eliminates a crime or infraction, or changes the penalty*  
21    *for a crime or infraction, within the meaning of Section 17556 of*  
22    *the Government Code, or changes the definition of a crime within*  
23    *the meaning of Section 6 of Article XIII B of the California*  
24    *Constitution.*

25    ~~SECTION 1. Section 14000 of the Financial Code is amended~~  
26    ~~to read:~~

27    ~~14000. This division shall be known, and may be cited, as the~~  
28    ~~"California Credit Union Law."~~